

business after a lifetime of toil, sacrifice, and devotion to building a great enterprise. The President is making it more difficult for people to save for their future and provide for their own retirement.

This vetoed tax relief legislation would have been a step toward more fairness in the Tax Code and it would have reduced the burden on people who are carrying the load, paying the taxes, and trying to live the American dream.

This veto is irresponsible and dangerous. Once again, Government wins and the taxpayer loses.

REPORT ON RESOLUTION WAIVING A REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO THE SAME-DAY CONSIDERATION OF CERTAIN RESOLUTIONS REPORTED BY THE COMMITTEE ON RULES

Mr. DREIER, from the Committee on Rules, submitted a privileged report (Rept. No. 106-330) on the resolution (H. Res. 300) waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported by the Committee on Rules, which was referred to the House Calendar and ordered printed.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. TANCREDI). Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES of North Carolina addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

AFFORDABLE PRESCRIPTION DRUGS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, last week the Office of Personnel Management announced that premiums for the Federal Employees Health Plan would increase by 9 percent next year, the third straight year of large increases.

On January 1, Medicare managed care plans in this country planned to drop 395,000 senior citizens from their plans. Last year 400,000 were dropped. Most of the remaining plans are curtailing or terminating prescription drug benefits.

Those are the numbers. Here are the stories.

Last month I received a letter from a 71-year-old widow in Sheffield Lake,

Ohio, who had taken a part-time job to help pay for her prescription drugs.

Until United Health Care pulled out of her county and left her without a health plan, she had some drug coverage. But just one of her medications, lipitor, absorbed most of her entire benefit.

I recently spoke with a woman in Elyria, Ohio, who spends \$350 out of her \$808 a month Social Security check on prescription drugs.

What is the common thread here? The high cost of prescription drugs.

Prescription drug spending in the U.S. increased 84 percent in the last 5 years. We have spent \$51 billion in 1993. Last year we spent \$93 billion.

According to the Office of Personnel Management, two factors caused the steep FEHB premium increases. One of those factors is technology. The other is the mushrooming cost of prescription drugs.

According to GAO, HCFA, and market analysts, one of the key reasons Medicare HMOs fail to turn a profit and drop so many seniors is they underestimated how much it would cost to cover the cost of prescription drugs.

I receive letters every day from seniors who cannot stretch their Social Security check far enough to cover prescribed medications. Some of the increased spending derives from expanding use of prescription medicines. But according to most analyses, two-thirds of the increases are attributable to price inflation.

The American public is right to wonder why is Congress not doing something about that. The simple reason is our threats from the drug companies. The drug companies say, if you do not leave drug prices alone, we will not produce any new drugs anymore.

I believe it is time that we use market forces, by that I mean good old-fashioned American competition, to challenge that threat. We can introduce more competition in the prescription drug market and still foster medical innovation. We need information from the drug companies to go explore industries' claim that U.S. prices are where they need to be.

The bill I introduced today, the Affordable Prescription Drug Act, lays out the groundwork we need to do both. Drawing from intellectual property laws already in place in the United States for other products in which access is an issue, pollution control devices under the Clean Air Act are one example, this legislation would establish product licensing for essential prescription drugs.

If a drug price is so outrageously high that it bears no resemblance to pricing norms for other industries, the Federal Government could require drug companies to license their patent to generic drug companies. The generic companies could then sell competing products before the brand name patent expires, paying the patent holder significant royalties for that right. The patent holder would still be amply re-

warded for being the first in the market, but Americans would benefit from competitively driven prices when there would be two or three or four sellers in the marketplace.

Alternatively, a prescription drug company could in fact lower their prices, which would preclude the Federal Government from finding cause for product licensing. Either way, high drug prices come down.

The bill requires drug companies to provide audited detailed information on drug company expenses.

This is not some brand new, untried proposal. Product licensing is done in France. It has been done in Canada. It is done in Germany. It is done in Israel. It is done in England.

Let me leave my colleagues with this: Through the National Institutes of Health, American taxpayers finance 42 percent of the research and development that generates new drugs, 42 percent. The private foundation and State and local governments and other non-industry sources kick in another 11 percent. That means prescription drug companies account for half the money in research and development of new drugs.

The Congress has given drug companies generous tax breaks on the R&D dollars that they do shell out. And yet, we pay the highest prices in the world in this country, sometimes two or three or four times the price for prescription drugs that people pay in any other country in the world.

Drug companies, and luck for them, drug companies score a triple-double. Congress gives the drug companies huge tax breaks. Taxpayers pay most of the cost for research and development. And yet, the drug companies charge Americans the highest price in drug world. Go figure. Drug company profits outpace those of every other industry by at least five percentage points.

Mr. Speaker, I ask the Congress to pass the Prescription Drug Affordability Act.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. DIAZ-BALART) is recognized for 5 minutes.

(Mr. DIAZ-BALART addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

BALTIMORE REGIONAL CITIZENS AGAINST LAWSUIT ABUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. EHRLICH) is recognized for 5 minutes.

Mr. EHRLICH. Mr. Speaker, I rise to acknowledge a group of citizens in my district who are working hard to address an issue affecting every citizen in our State, lawsuit abuse.

Throughout my district and all over the greater Baltimore area, local citizens are volunteering their time and

energy to inform the public about the cost associated with the excessive numbers and types of lawsuits filed in today's litigious society.

The men and women of the Baltimore Regional Citizens Against Lawsuit Abuse have a simple goal, to create a greater public awareness about abuses of our civil justice system.

This type of citizen activism has had a positive impact on perceptions and attitudes towards abuses of our legal system, a problem most folks do not consider as they go about their daily routine.

While the overall mission of Baltimore Regional Citizens Against Lawsuit Abuse is to curb lawsuit abuse and abuse of our legal system, the organization's main focus is on education. Every time these dedicated Marylanders speak out about lawsuit abuse, ordinary citizens are educated on the statewide and indeed nationwide impact our civil legal system has on our daily lives.

The cost of lawsuit abuse includes higher costs for consumer products, higher medical expenses, higher taxes, higher insurance rates, and lost business expansion and product development, a serious problem in the United States of America.

I worked hard to reform our legal system at the State level during my days as a member of the Maryland General Assembly. During my tenure in Congress, I have supported efforts with respect to product liability reform, securities litigation reform, and reform of our Federal Superfund program.

More specifically, Mr. Speaker, as a member of the House Committee on Banking and Financial Services during the 105th Congress, I sponsored bipartisan legislation that has helped reduce frivolous class-action lawsuits brought against small-business people employed as mortgage brokers.

Mr. Speaker, legal reform is a complex issue, as we have seen actually today on the floor of this House and in the past 5 years from the 104th Congress and the 105th Congress, as well. The legal system must function to provide justice to every American.

When our open access to the courts is abused or used to the detriment of innocent parties who happen to have money or happen to have insurance coverage, this system must be reviewed and reformed, sometimes in State legislatures, sometimes on this floor.

Let me acknowledge the board of the Baltimore Regional Citizens Against Lawsuit Abuse for giving of their valuable time and energy: The Honorable Phillip D. Bissett, Vicki L. Almond, Joseph Brown, Dr. William Howard, Sheryl Davis-Kohl, Gary O. Prince, and the Honorable Joseph Sachs.

Mr. Speaker, the Baltimore Regional Citizens Against Lawsuit Abuse has declared September 19-25 as Lawsuit Abuse Awareness Week in Maryland.

I want to commend these citizens and all involved in this worthwhile effort, for their dedication and commitment,

and to acknowledge this week as a time of public awareness regarding the serious issues associated with abuse of our civic legal system.

EUROPEAN UNION SHOULD WITHDRAW UNFAIR, DISCRIMINATORY REGULATION RESTRICTING HUSH-KITTED AND REENGINEED AIRCRAFT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. LIPINSKI) is recognized for 5 minutes.

Mr. LIPINSKI. Mr. Speaker, I rise tonight to join my colleagues, the gentleman from Pennsylvania (Chairman SHUSTER) the gentleman from Tennessee (Chairman DUNCAN) and the gentleman from Minnesota (Mr. OBERSTAR), the ranking member, in supporting a resolution expressing the sense of Congress that the administration should act swift and decisively if the European Union does not withdraw its unfair, discriminatory regulation restricting hush-kitted and reengineed aircraft.

In particular, the resolution strongly urges the administration to file an Article 84 complaint with the International Civil Aviation Authority, ICAO, so that it can be objectively determined whether the EU regulation violates international standards.

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On April 29, 1999, the European Council of Ministers adopted a resolution that will in effect ban the operation of former State 2 aircraft that has been modified either with hushkits or new engines to meet the Stage 3 international noise standards. The Europeans claim that the hushkit regulation is needed to provide noise relief to residents living around airports in crowded European cities. However, the European Union has not provided any technical evidence that would demonstrate and improve noise or emissions climate around airports as a result of this rule.

This is not an environmental regulation, as the Europeans suggest. Rather, this re-regulation is an unfair unilateral action that discriminates against U.S. products and severely undermines international noise standards set by ICAO. By unilaterally establishing a new regional standard for noise, the EU is taking local control over an international issue. In addition, the EU has done this in such a way that the regulation most adversely impacts U.S. carriers, U.S. products and U.S. manufacturers.

The House of Representatives has already expressed its strong opposition to this misguided regulation by passing H.R. 661, the bill introduced by my good friend and colleague, the gentleman from Minnesota (Mr. OBERSTAR), which would ban the operation of the Concorde in the U.S.A. Passage of H.R. 661, I believe, showed the Europeans that the United States is serious

about protecting U.S. aviation interests against unfair unilateral trade actions. As a result, the effective date of the EU regulation was postponed until May 2000 in an attempt to accommodate the concerns of the United States.

Yet although the implementation date was delayed for a year, the regulation was adopted and is now law. As a result, the regulation is already having a negative economic impact on U.S. aviation. The regulation has raised serious doubts about the future market for hushkitted and re-engineed aircraft, which in turn has already lessened the value of these aircraft and has put a halt to new hushkit orders. This is why the EU regulation must be completely withdrawn.

My understanding is that the European Parliament will not consider withdrawing the regulation until significant progress is made on Stage 4, the next generation noise standard. The U.S. is already working with the EU through ICAO on defining and implementing a Stage 4 noise standard. Let me state for the RECORD that the United States is fully committed to the development of a Stage 4 noise standard, however it is difficult to move forward towards a new noise standard while the EU hushkit regulation is still on the books. With its hushkit regulation the EU ignores its priority agreements with ICAO and has developed its own regional restrictions. Given this, it will be nearly impossible to convince the 185 countries of ICAO to agree to a new noise requirement on aircraft. Why would any carrier in any country want to invest in Stage 4 aircraft if any country in the world can also impose its own restrictions on aircraft? It simply does not make sense.

Nevertheless the U.S. is working patiently with the Europeans on developing a Stage 4 noise standard. However, the ongoing discussions and negotiations could continue for weeks, if not months. Yet each day that the EU hushkit regulation remain on the books costs the U.S. aviation industry more money.

For this reason the U.S. must challenge the EU regulation in an international forum. The United States must send a clear signal that it will now allow Europe to set international standards on its own. In particular, the U.S. Government should use the Article 84 process provided by the Chicago convention to resolve disputes between two or more States. The U.S. should file an Article 84 complaint at ICAO asking the international organization to determine whether the EU hushkit regulation violates its standards. This would demonstrate how serious the U.S. considers the issue. It would also show the EU that the United States has the support of the rest of the world on this very important aviation issue.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Mexico (Mr. UDALL) is recognized for 5 minutes.